

67B Am. Jur. 2d Sales and Use Taxes § 196

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Sales and Use Taxes

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II. Use Taxes

E. Persons Liable for Use Tax; Uses by Particular Persons or Entities

§ 196. Liability of carriers for hire for use tax

[Topic Summary](#) | [Correlation Table](#) | [References](#)

West's Key Number Digest

West's Key Number Digest, [Taxation](#)  3666

Some states exempt carriers for hire,¹ common carriers,² and public transportation³ from the imposition of use taxes while private carriers are not exempt from the use tax.⁴

Observation:

A carrier for hire or a common carrier often holds a certificate of public convenience which renders the carrier exempt from the use tax.⁵

When the property owner's title in goods is retained after the goods are picked up by the carrier, the carrier is deemed a carrier for hire or a public carrier and is exempt from the use tax.⁶

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Footnotes

¹ [Admiral Disposal Co. v. Department of Revenue](#), 302 Ill. App. 3d 256, 235 Ill. Dec. 858, 706 N.E.2d 118 (2d Dist. 1999).

² [Balloons Over the Rainbow, Inc. v. Director of Revenue](#), 427 S.W.3d 815 (Mo. 2014).

- ³ Klink Trucking, Inc. v. Indiana Department of State Revenue, 79 N.E.3d 1029 (Ind. Tax Ct. 2017).
- ⁴ Admiral Disposal Co. v. Department of Revenue, 302 Ill. App. 3d 256, 235 Ill. Dec. 858, 706 N.E.2d 118 (2d Dist. 1999); National Serv-All, Inc. v. Indiana Dept. of State Revenue, 644 N.E.2d 954 (Ind. Tax Ct. 1994).
As to distinctions between common carriers and private carriers, generally, see Am. Jur. 2d, Carriers §§ 2 to 4.
- ⁵ Fiore v. Com., 676 A.2d 723 (Pa. Commw. Ct. 1996), opinion aff'd, 547 Pa. 357, 690 A.2d 234 (1997).
As to the possession and use of certificates of public convenience and necessity by carriers, generally, see Am. Jur. 2d, Carriers §§ 120 to 135.
- ⁶ Admiral Disposal Co. v. Department of Revenue, 302 Ill. App. 3d 256, 235 Ill. Dec. 858, 706 N.E.2d 118 (2d Dist. 1999); Indiana Waste Systems of Indiana, Inc. v. Indiana Dept. of State Revenue, 644 N.E.2d 960 (Ind. Tax Ct. 1994).

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